

Message Text

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SUBJECT: PRESS RELEASE - SINAI SUPPORT MISSION CONTRACT
AWARD

1. FOLLOWING IS TEXT OF PRESS RELEASE DATED JANUARY 16,
1976:

SINAI SUPPORT MISSION CONTRACT AWARDED TO E SYSTEMS OF
DALLAS

THE UNITED STATES SINAI SUPPORT MISSION HAS CHOSEN E
SYSTEMS, INC., OF DALLAS, TEXAS, FROM A FIELD OF SIX BID-
DERS AS THE CONTRACTOR WHO WILL INSTALL, OPERATE AND MAIN-
TAIN THE U.S.' EARLY WARNING SYSTEM IN THE SINAI, DIRECTOR
C. WILLIAM KONTOS ANNOUNCED TODAY. AN ADVANCE PARTY OF E
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SYSTEMS AND GOVERNMENT PERSONNEL WILL DEPART FOR THE SINAI

ON JANUARY 20 TO BEGIN WORK ON THE FOUR SENSOR FIELDS, THREE WATCH STATIONS AND A BASE CAMP IN ORDER TO ACHIEVE SURVEILLANCE OPERATIONAL CAPABILITY BY FEBRUARY 22, 1976.

E SYSTEMS WILL PROVIDE APPROXIMATELY 150 OF THE UP-TO-200 AMERICAN CIVILIANS AUTHORIZED BY AN OCTOBER 13, 1975 JOINT RESOLUTION OF THE CONGRESS (PUBLIC LAW 94-110) FOR SERVICE IN THE SINAI. IN THIS CONNECTION, THE DEPARTMENT OF STATE

IS TODAY TURNING OVER TO THE COMPANY FOR ITS CONSIDERATION ALL LETTERS FROM PRIVATE INDIVIDUALS WHO HAVE VOLUNTEERED TO WORK IN THE SINAI. IN ADDITION TO CONSTRUCTING THE BASIC FACILITIES, E SYSTEMS WILL BE RESPONSIBLE FOR MONITORING THE SENSOR FIELDS AND FOR THE LOGISTICAL SUPPORT, MAINTENANCE, TRANSPORTATION, SHELTER AND FOOD REQUIRED BY ALL PERSONNEL. IT WILL RECEIVE ON-THE-SPOT POLICY GUIDANCE AND DIRECTION FROM A GOVERNMENT TEAM OF 28 HEADED BY SINAI FIELD MISSION DIRECTOR NICHOLAS G.W. THORNE. MR. THORNE AND HIS STAFF ARE TO BE THE OVERSEAS ARM OF THE WASHINGTON-BASED SINAI SUPPORT MISSION WHICH WAS ESTABLISHED BY THE PRESIDENT "TO ENSURE THAT THE UNITED STATES' ROLE IN THE SINAI EARLY-WARNING SYSTEM ENHANCES THE PROSPECT OF COMPLIANCE IN GOOD FAITH WITH THE TERMS OF THE EGYPTIAN-ISRAELI AGREEMENTS AND THEREBY PROMOTES THE CAUSE OF PEACE." ITS DIRECTOR, C.WILLIAM KONTOS, IS A SPECIAL REPRESENTATIVE OF THE PRESIDENT AND CHAIRMAN OF THE SINAI SUPPORT MISSION INTERAGENCY MANAGEMENT BOARD, WHOSE MEMBERS ARE SENIOR REPRESENTATIVES OF THE DEPARTMENTS OF STATE AND DEFENSE, THE AGENCY FOR INTERNATIONAL DEVELOPMENT THE ARMS CONTROL AND DISARMAMENT AGENCY AND THE CENTRAL INTELLIGENCE AGENCY.

E SYSTEMS IS AN ELECTRONIC SYSTEMS AND ELECTRONIC EQUIPMENT MANUFACTURER WITH ANNUAL SALES OF APPROXIMATELY DOLS 250 MILLION. ITS OPERATIONS INCLUDE THREE MAJOR GROUPS - AIRCRAFT SYSTEMS, ELECTRONIC SYSTEMS, AND PRODUCTION ELECTRONICS. IT IS THE COMPANY'S GREENVILLE, TEXAS, AIRCRAFT DIVISION THAT WILL MANAGE ITS PROGRAM IN THE SINAI. THE H.B. ZACHRY COMPANY OF SAN ANTONIO, TEXAS, IS THE PRINCIPAL CONSTRUCTION CONTRACTOR SUPPORTING E SYSTEMS IN THE

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TOTAL PROGRAM.

2. FOLLOWING Q'S AND A'S WERE PREPARED FOR STATE DEPARTMENT SPOKESMAN:

Q. THIS CONTRACTOR, HOW WAS HE CHOSEN? CAN WE ASSUME HE WAS THE LOWEST BIDDER?

A. THE SINAI SUPPORT MISSION USED STANDARD GOVERNMENT PRACTICE, INCLUDING AN EXHAUSTIVE EVALUATION OF ALL BIDS BY A TEAM OF 18 SPECIALISTS DRAWN FROM VARIOUS GOVERNMENT AGENCIES. IT ANNOUNCED THE GOVERNMENT'S INTENTION TO CONTRACT FOR SERVICES IN THE COMMERCE BUSINESS DAILY AND SOLICITED EXPRESSIONS OF INTEREST. IT ISSUED A DETAILED "REQUEST FOR PROPOSALS" AND HELD AN OFFERORS' CONFERENCE WHICH WAS ATTENDED BY MORE THAN FORTY FIRMS IN DECEMBER. IN ALL ITS DEALINGS WITH INTERESTED FIRMS, IT MADE CLEAR THAT ALL BIDS WOULD BE EVALUATED ON THE BASIS OF MANAGE-

MENT STRENGTH AND THOROUGHNESS OF PLANNING, AND TECHNICAL COMPETENCE AS WELL AS ACCURACY AND REALISM IN ESTIMATING COSTS. THE ONLY UNUSUAL ELEMENT IN THIS COMPETITIVE BIDDING WAS THE TIME CONSTRAINT AND THAT WAS EMPHASIZED TO THE BIDDERS IN WRITING AND AT THE OFFERORS' CONFERENCE.

Q. HOW MUCH MONEY IS ACTUALLY INVOLVED HERE?

A. I UNDERSTAND IT IS DOLS 16.5 MILLION - FOR A PERIOD THAT ENDS ON SEPTEMBER 30 OF THIS YEAR.

Q. WHAT ABOUT FUTURE YEARS?

A. EACH YEAR WILL REQUIRE NEW CONGRESSIONAL ACTION.

Q. WHAT IS MEANT BY "SURVEILLANCE OPERATIONAL CAPABILITY?"

A. IT MEANS THAT THE FOUR SENSOR FIELDS WILL BE IN PLACE AND BEING MONITORED AND THAT PROVISIONAL WATCH STATIONS AND A BASE CAMP WILL HAVE BEEN ERECTED IN WHICH THE FIRST CONTINGENT OF PERSONNEL CAN WORK AND LIVE UNTIL MORE PERMANENT STRUCTURES CAN BE BUILT AND OTHER IMPROVEMENTS CAN BE UNCLASSIFIED

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MADE. IT MEANS THAT AN ADEQUATE COMMUNICATIONS SYSTEM WILL ALSO BE IN PLACE AND OPERATING. IN SHORT, IT MEANS THAT THE SINAI FIELD MISSION WILL BE IN BUSINESS AS OF FEBRUARY 22, BUT THAT ITS EARLIEST PHYSICAL SHELTERS WILL REQUIRE UPGRADING IN THE MONTHS THAT FOLLOW.

Q. HOW LONG DO YOU THINK THAT WILL TAKE?

A. CONSTRUCTION SHOULD BE COMPLETED BY SUMMER.

Q. DO YOU THINK THE CONTRACTOR CAN MEET THAT FEBRUARY 22 DEADLINE?

A. THE SINAI SUPPORT MISSION THINKS SO, OR IT WOULD NOT HAVE AWARDED THE CONTRACT.

Q. 150 EMPLOYEES ARE MENTIONED FOR THE CONTRACTOR AND 28 FOR THE GOVERNMENT. I THOUGHT THERE WERE GOING TO BE 200?

A. THERE IS CONGRESSIONAL AUTHORIZATION FOR A MAXIMUM OF 200 BUT THAT IS NOT A MANDATORY FIGURE. THE GOVERNMENT AND E SYSTEMS WILL HAVE ONLY AS MANY PEOPLE AS ARE NECESSARY TO DO THE JOB.

Q. IN THAT CONNECTION, WHY DOES THE GOVERNMENT NEED 28 PEOPLE WHEN THE CONTRACTOR IS GOING TO DO MOST OF THE WORK?

A. FIRST, YOU WANT TO REMEMBER THAT BOTH GROUPS WILL BE WORKING ON A 7-DAY WEEK, 24-HOURS-A-DAY SCHEDULE. THAT MEANS SEVERAL SHIFTS. COMMUNICATIONS PERSONNEL ALONE WILL NUMBER ABOUT 11.

Q. ANY WOMEN IN GOVERNMENT GROUP?

A. YES, TWO. (BOTH OF THEM ARE VOLUNTEER SECRETARIES.)

Q. HOW ABOUT IN THE CONTRACTOR GROUP?

A. YOU WOULD HAVE TO ASK E SYSTEMS ABOUT THAT BUT I DON'T THINK THEY HAVE CHOSEN ALL THEIR PEOPLE AS YET.
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